



**FROM THE OFFICE OF THE
DIRECTOR OF FINANCIAL SERVICES
MEMORANDUM**

TO: Wayne Bowers, City Manager

FROM: Bernita W. Demery, CPA, MBA, Director of Financial Services *BWD*

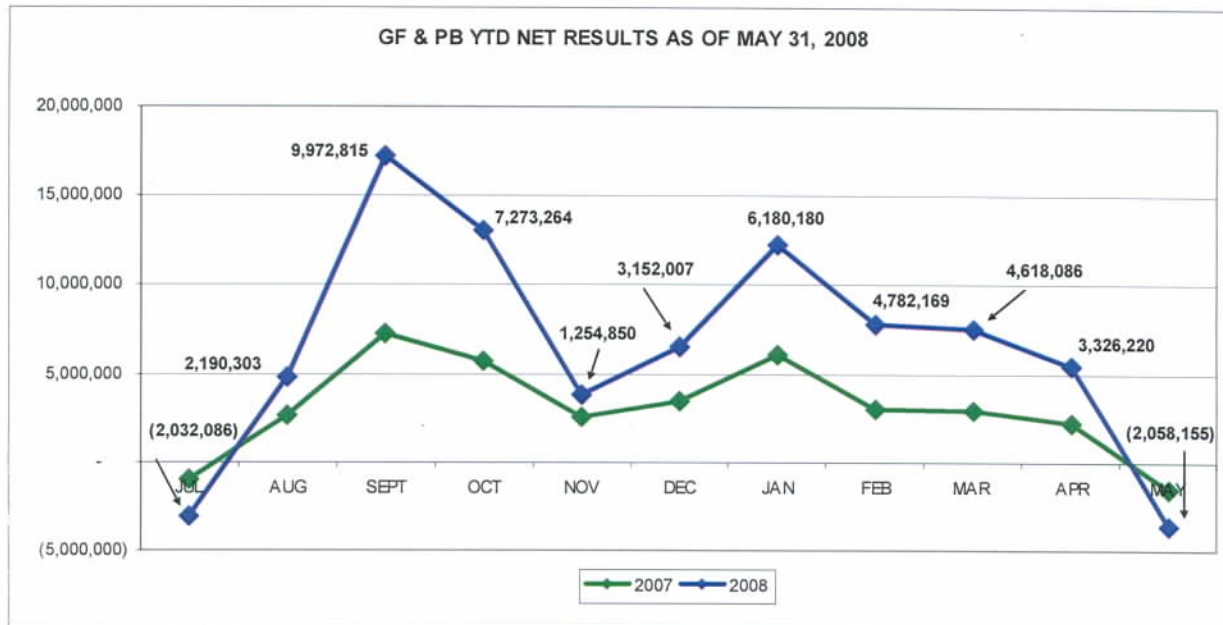
DATE: June 16, 2008

SUBJECT: Monthly Financial Statements for May 31, 2008

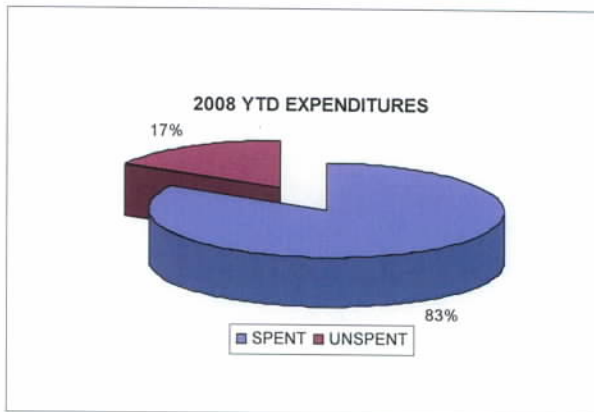
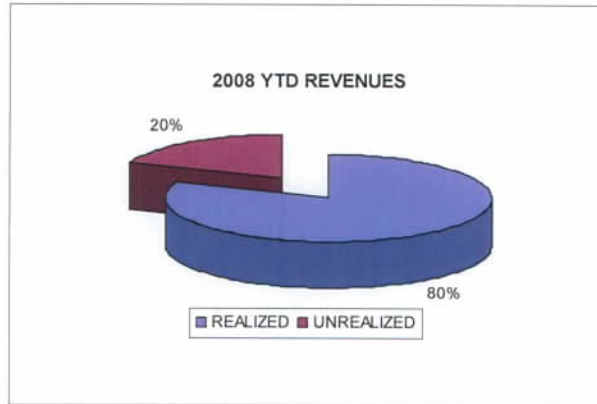
This report provides brief descriptions and illustrations of the fiscal activity for the City of Greenville for the month ended May 31, 2008, including an investment summary for the same period. This financial report compares current and prior year actuals for both the current month and year-to-date amounts. This report addresses only unusual or significant events. Unless otherwise noted, variances are simply month-to-month timing differences or are normal differences between the 2007 and 2008 approved budgets.

Overview of General Fund

Year-to-date expenditures exceeded revenues by \$2,058,155, which was an increase of \$499,381, or 32%, over prior year results. Overall, this variance is the result of timing differences of when payroll expenditures occurred. Year-to-date revenues increased seven percent, currently surpassing the estimated revenue increase of 5.77% included in the 2007 – 2008 budget. Year-to-date expenditures increased by eight percent. Personnel costs represent 85% of the total increase. This is due to a third payroll occurring in May of 2008 as opposed to June of 2007. As of May 31st, with 92% of the fiscal year past, expenditures represent 83% of the authorized budget and no department has spent more than projected for this period of the fiscal year.



GENERAL FUND REVENUES:



	2008	2007	%	2008	2007	%	2008	%	2007	%
	MTD	MTD	CHANGE	YTD	YTD	CHANGE	BUDGET	REC.	BUDGET	REC.
PROPERTY TAX	268,797	374,632	-28%	25,009,423	23,361,585	7%	24,969,638	100%	23,782,210	98%
SALES TAX	1,026,097	1,156,978	-11%	10,523,818	10,270,080	2%	14,109,415	75%	13,867,160	74%
UTILITIES FRANCHISE	-	-	0%	3,405,714	3,268,850	4%	4,566,646	75%	3,930,653	83%
GUC TRANSFERS	536,930	416,742	29%	4,453,468	4,152,294	7%	5,048,302	88%	4,901,992	85%
REFUSE FEES	413,379	328,328	26%	3,840,804	3,307,259	16%	4,518,870	85%	3,950,000	84%
POWELL BILL	-	-	0%	2,256,409	1,948,928	16%	1,987,735	114%	1,982,094	98%
RESCUE FEES	193,938	181,548	7%	2,034,201	1,780,963	14%	1,766,356	115%	1,619,300	110%
INTEREST	114,892	109,439	5%	1,779,129	1,566,604	14%	1,514,793	117%	1,092,871	143%
MOTOR VEHICLE	61,709	73,602	-16%	732,330	703,442	4%	850,530	86%	824,643	85%
INSPECTION PERMITS	108,529	122,126	-11%	1,297,617	1,334,748	-3%	1,547,671	84%	1,479,475	90%
	2,724,271	2,763,395	-1%	55,332,913	51,694,753	7%	60,879,956	91%	55,950,923	92%
OTHER	420,191	697,734	-40%	5,860,100	5,467,364	7%	7,602,100	77%	2,279,384	145%
TRANSFERS	282,755	1,319	>100%	297,389	259,125	15%	7,928,664	100%	12,528,063	100%
	702,946	699,053	1%	6,157,489	5,726,489	8%	15,530,764	40%	16,286,922	35%
TOTAL REVENUES	3,427,217	3,462,448	-1%	61,490,402	57,421,242	7%	76,410,720	80%	72,237,845	79%

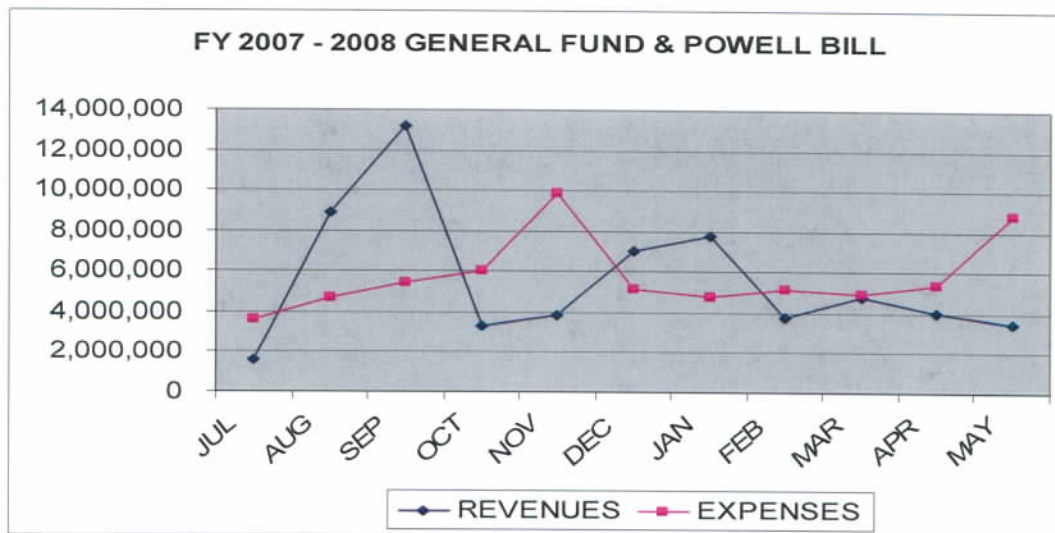
While month-to-date revenues decreased only one percent overall, several of the top-ten revenues decreased by a larger margin. Property Taxes decreased 28%; however, 100% of the estimated taxes have already been collected. At this time last year, only 98% of Property Taxes had been received. A similar decrease will likely occur next month as well. Sales Tax, Motor Vehicle Tax, and Inspection Division Permits are all sensitive to economic conditions. Overall, revenues are expected to exceed budget estimates by the close of the year.

GENERAL FUND EXPENDITURES:

	2008 MTD	2007 MTD	% CHANGE	2008 YTD	2007 YTD	% CHANGE	2008 BUDGET	% SPENT	2007 BUDGET	% SPENT
MAYOR / CITY COUNCIL	20,579	20,391	1%	320,967	303,034	6%	395,240	81%	349,605	87%
CITY MANAGER	111,466	96,835	15%	866,254	868,299	0%	1,037,336	84%	1,114,651	78%
CITY CLERK	25,280	16,373	54%	207,622	188,114	10%	241,014	86%	226,603	83%
CITY ATTORNEY	46,219	30,293	53%	354,074	320,371	11%	408,212	87%	384,701	83%
HUMAN RESOURCES	191,209	163,269	17%	1,596,852	1,428,739	12%	1,872,303	85%	1,906,972	75%
INFO. TECHNOLOGY	348,938	343,647	2%	2,868,226	2,711,405	6%	4,188,398	68%	3,814,996	71%
FIRE/RESCUE	1,229,449	808,636	52%	9,471,603	8,687,872	9%	11,309,220	84%	10,508,563	83%
FIN. SERVICES	197,282	113,213	74%	1,699,882	1,562,573	9%	1,965,776	86%	1,854,225	84%
CONTINGENCIES	-	-	0%	-	-	0%	17,318	0%	122,966	0%
POLICE	1,971,192	1,294,501	52%	16,471,905	14,635,867	13%	18,413,557	89%	17,067,965	86%
REC. & PARKS	543,586	335,045	62%	4,471,425	3,994,040	12%	5,340,423	84%	4,963,983	80%
PUBLIC WORKS	1,198,171	861,756	39%	11,258,258	10,092,025	12%	13,064,447	86%	12,249,589	82%
COMM. DEVEL.	221,419	136,773	62%	1,755,422	1,484,090	18%	2,207,947	80%	1,775,652	84%
	6,104,790	4,220,732	45%	51,342,490	46,276,429	11%	60,461,191	85%	56,340,471	82%
CAPITAL IMPROV.	325,129	255,167	27%	2,974,640	2,279,506	30%	5,891,456	50%	5,010,990	45%
TRANSFERS OUT	2,381,666	2,672,860	-11%	9,231,427	10,424,081	-11%	10,058,073	92%	10,886,384	96%
TOTAL	8,811,585	7,148,759	23%	63,548,557	58,980,016	8%	76,410,720	83%	72,237,845	82%

	2008 MTD Total	2007 MTD Total	\$ Change	% Change
Personnel	4,957,416	3,209,937	1,747,479	54%
Operations	1,124,738	867,021	257,717	30%
Capital Outlay	22,636	143,774	(121,138)	-84%
Capital Improvements	325,129	255,167	69,962	27%
Transfers	2,381,666	2,672,860	(291,194)	-11%
Total	8,811,585	7,148,759	1,662,826	23%

As shown above, there are five major categories of expenditures in the General Fund. As previously mentioned, Personnel costs were the main cause of the total increase in expenditures and caused large fluctuations in the percentage change at the departmental level. This increase was due to a third payroll occurring in May of 2008 as opposed to June of 2007. Operational costs were the next largest increase; however, these costs only accounted for 15% of the total net change. No unusual or significant events caused this category's increase. Increases in this category were largely due to timing differences, especially as departments strive to purchase budgeted items before the year-end close. With 92% of the year completed, departmental spending is well within budget. The largest operational expenditure increases occurred in the following areas: fuel (citywide), property / casualty insurance (HR, Police, PW), computer software (IT), supplies / materials (citywide), special investigations (Police), uniforms (F/R, Police, Rec. & Parks, PW), vehicles (F/R, Police, PW), buildings (Rec. & Parks, PW, F/R), Supplemental PEG (City Manager), wireless telephone (citywide), and printing (citywide). Capital Outlay costs will depend on the timing of authorized, budgeted purchases. Capital Improvement costs will vary according to the timing and scope of projects underway. Transfers decreased in May 2008 due to a reduction in the transfer to debt service. This was offset by an increase in the transfer to Sheppard Memorial Library, which occurs quarterly.



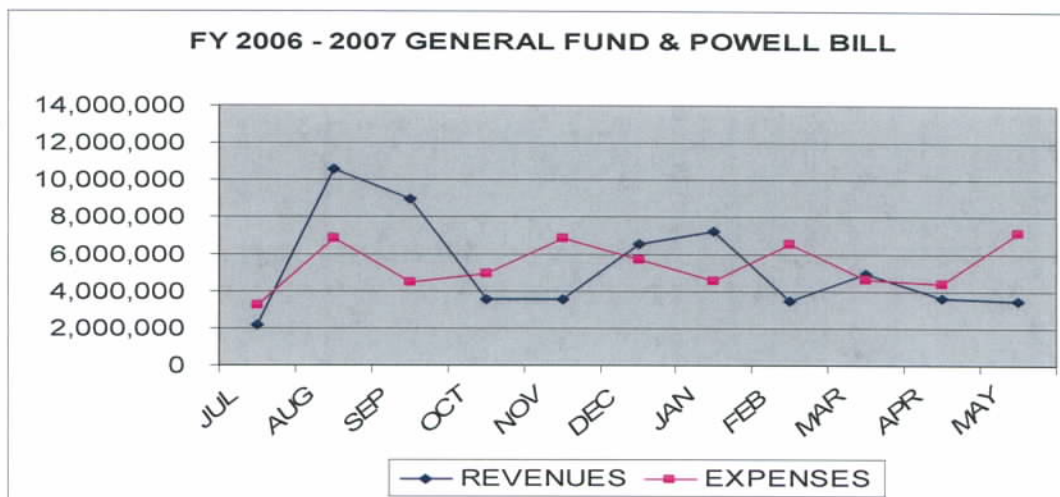
Explanation of Major Changes:

REVENUES:

August: Some Property Tax Receipts Received
 September: Received Powell Bill
 Property Tax Receipts Increase (Bills Mailed Late)

EXPENDITURES:

November: Had Third Payroll
 May: Had Third Payroll



Explanation of Major Changes:

REVENUES:

August: Property Tax Receipts Received
 September: Received Powell Bill

EXPENDITURES:

August: Vehicle Replacement Fund Transfer (\$2.5 Million)
 November: Fleet Service Cost Charged to Departments (approx. \$1.7 Million)
 December: Had Third Payroll
 February: Transfer to Capital Reserve (\$1,615,084)

Public Transportation

No unusual or significant activity occurred in this fund during the month ended May 31, 2008. The percentage of budget spent is currently at only 50%; however, this amount is skewed because the cost for buses on order will not be expensed until they are received. These buses will not be received until next fiscal year; therefore, the bus-related reimbursement revenue will also be deferred to next fiscal year.

	2008	2007	%	2008	2007	%	2008	% REC./	2007	% REC./
	MTD	MTD	CHANGE	YTD	YTD	CHANGE	BUDGET	SPENT	BUDGET	SPENT
RESTRICTED INTERGOV'T	10,815	15,240	-29%	571,570	762,086	-25%	1,396,425	41%	1,356,680	56%
SALES / SERVICES	14,778	16,056	-8%	164,779	150,709	9%	122,117	135%	121,117	125%
INVESTMENTS	239	368	-35%	4,063	2,510	62%	2,710	150%	1,068	235%
TRANSFERS IN	-	-	0%	-	-	0%	381,898	0%	263,986	0%
APPRO. FUND BALANCE	-	-	0%	-	-	0%	750	0%	615	0%
TOTAL	25,832	31,664	-18%	740,412	915,304	-19%	1,903,900	39%	1,743,466	53%
PERSONNEL	72,573	47,109	54%	578,224	530,460	9%	748,141	77%	639,381	83%
OPERATIONS	24,203	9,400	157%	185,043	120,338	54%	211,584	87%	191,035	63%
CAPITAL OUTLAY	13,131	30,074	-56%	132,644	217,457	-39%	256,675	52%	313,050	69%
CAPITAL IMPROVEMENTS	0	0	0%	0	0	0%	687,500	0%	600,000	0%
TOTAL	109,907	86,583	27%	895,911	868,255	3%	1,903,966	47%	1,743,466	50%
NET	(84,075)	(54,919)	53%	(155,499)	47,467	>(100%)				

Aquatics and Fitness Center

There have been no major changes to this fund during the month of May 2008. While year-to-date operational revenues have increased 17%, operational expenses have increased 31%. This increase in expenses is largely due to the increase in the Temporary Salaries cost. Beginning with Fiscal Year 2008 - 2009, the Aquatics & Fitness Center's activities will function within the Recreation and Parks Department in the General Fund.

	2008	2007	%	2008	2007	%	2008	% REC./	2007	% REC./
	MTD	MTD	CHANGE	YTD	YTD	CHANGE	BUDGET	SPENT	BUDGET	SPENT
INTERGOV'T	-	-	0%	19,180	-	-100%	19,180	100%	-	0%
SALES / SERVICES	46,449	54,371	-15%	539,239	461,755	17%	589,763	91%	544,258	85%
INVESTMENTS	17	39	-57%	464	71	558%	-	100%	-	100%
APPRO. FUND BAL.	-	-	0%	-	-	0%	51,555	0%	20	0%
TOTAL	46,465	54,410	-15%	558,883	461,826	21%	660,498	85%	544,278	85%
PERSONNEL	39,787	25,988	53%	378,302	304,209	24%	367,879	103%	345,839	88%
OPERATIONS	15,740	13,157	20%	204,344	140,157	46%	211,704	97%	191,939	73%
CAPITAL OUTLAY	19,180	-	100%	19,180	-	100%	19,180	100%	6,500	0%
CAPITAL IMPROVEMENTS	-	-	0%	52,072	-	100%	61,735	84%	-	0%
TOTAL	74,706	39,144	91%	653,899	444,366	47%	660,498	99%	544,278	82%
NET	(28,241)	15,265	>(100)%	(95,016)	17,459	>(100)%				

Bradford Creek Golf Course

While this fund is projected to experience a shortfall of \$73,253 at the end of the fiscal year, this projection is an improvement over prior year results. This shortfall is due to the unexpected loss of tournament and practice revenue. Operational expenses have decreased seven percent year-to-date almost offsetting personnel costs, which rose seven percent.

	2008	2007	%	2008	2007	%	2008	%	2007	%
	MTD	MTD	CHANGE	YTD	YTD	CHANGE	BUDGET	REC./	BUDGET	REC./
								SPENT		SPENT
SALES / SERVICES	97,415	87,104	12%	780,441	740,800	5%	930,862	84%	909,917	83%
INVESTMENTS	-	-	0%	-	215	-100%	500	0%	500	43%
TRANSFERS IN	-	-	0%	-	125,000	-100%	-	0%	125,000	100%
APPRO. FUND BAL.	-	-	0%	-	-	0%	2,506	0%	7,501	0%
TOTAL REVENUES	97,415	87,104	12%	780,441	866,015	-10%	933,868	84%	1,042,918	84%
PERSONNEL	48,242	30,214	60%	363,375	339,115	7%	440,312	83%	412,117	82%
OPERATIONS	35,239	41,209	-14%	309,493	332,762	-7%	313,361	99%	447,299	74%
CAPITAL OUTLAY	0	4,577	-100%	0	96,023	-100%	8,561	0%	0	0%
TRANSFERS OUT	0	0	0%	169,129	173,481	-3%	171,634	99%	183,502	95%
TOTAL EXPENSES	83,481	76,001	10%	841,998	941,381	11%	933,868	90%	1,042,918	90%
NET	13,934	11,103	25%	(61,557)	(75,367)	18%				

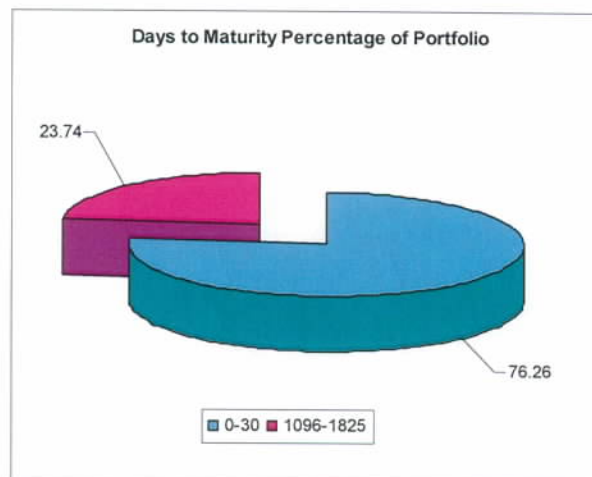
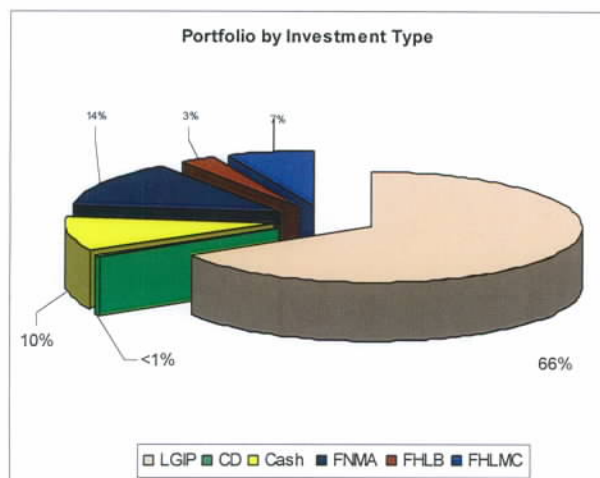
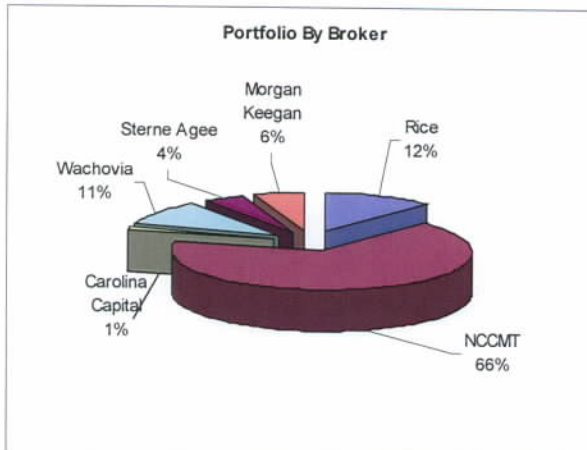
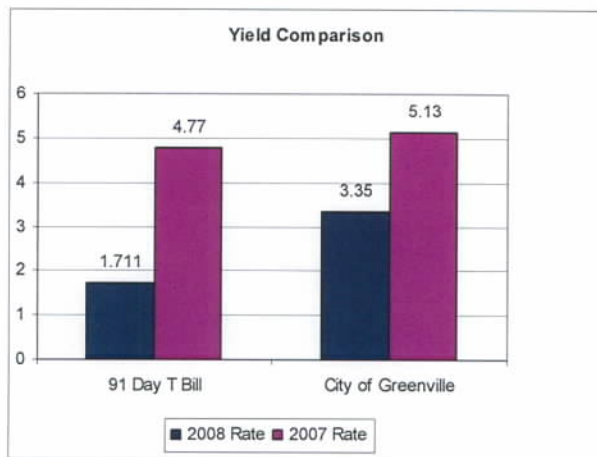
Stormwater

No unusual or significant activity occurred in this fund during the month ended May 31, 2008. Current activity remains consistent with prior year activity and is in line with expectations based on budget comparisons.

	2008	2007	%	2008	2007	%	2008	%	2007	%
	MTD	MTD	CHANGE	YTD	YTD	CHANGE	Budget	REC./	Budget	REC./
								SPENT		SPENT
LIC., PERMITS, & FEES	256,705	234,283	10%	2,406,072	2,321,252	4%	2,835,000	85%	2,780,000	83%
INVESTMENTS	1,936	2,568	-25%	32,103	20,749	55%	25,000	128%	25,000	83%
APPRO. FUND BAL.	-	-	0%	-	-	0%	495,357	0%	934,107	0%
TOTAL REVENUES	258,641	236,851	9%	2,438,175	2,342,001	4%	3,355,357	73%	3,739,107	63%
PERSONNEL	274,913	109,829	150%	1,225,614	1,100,526	11%	1,867,453	66%	1,764,292	62%
OPERATIONS	24,812	25,054	-1%	378,204	336,642	12%	519,294	73%	548,757	61%
CAPITAL OUTLAY	0	0	0%	0	19,200	-100%	0	0%	19,164	100%
CAPITAL IMPROV.	0	4,488	-100%	7,475	19,714	-62%	519,712	1%	1,193,312	2%
TRANSFERS OUT	7,803	8,324	-6%	44,773	61,240	-27%	448,898	10%	213,582	29%
TOTAL EXPENSES	307,528	147,695	108%	1,656,065	1,537,322	8%	3,355,357	49%	3,739,107	41%
NET	(48,887)	89,156	>(100%)	782,109	804,678	-3%				

Investment Portfolio Summary

On May 31st, the City of Greenville's investment portfolio held funds of approximately \$56.5 million, which is down \$4.7 million when compared to the prior month. As of the end of May, the City's portfolio yielded a return of 3.35% as compared to 3.34% recorded as of April 30, 2008. This decline is a direct result of the economic downturn. However, due to "held to maturity" investments within the City's portfolio, periodic coupon payments have allowed the City to accumulate almost \$145,000 of interest earnings during this period of economic decline.



cc: Thom Moton, Assistant City Manager
All Department Heads

Attachments